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NEWS RELEASE

December 3, 2007

Brigham City Financial Adviser Pleads Guilty to Securities Fraud Charges

Udy pleads guilty to making false statements to the state and hiding information from investors ...

SALT LAKE CITY, Utah – R. Dean Udy, of Brigham City, pleaded guilty today to two felony criminal counts in connection with his solicitation of \$1,313,500 from 5 investors. Udy pleaded guilty to making false statements to the Division of Securities in connection with a 2002 investigation it was conducting and pleaded guilty to securities fraud, for failing to tell later investors about his disciplinary history.

In December 2002, Udy was a licensed securities agent. He consented to the entry of a disciplinary order by the Division of Securities relating to promissory notes he had sold to investors. As part of that order, Udy represented that he had disclosed all notes he had issued. Subsequent investigation by the Division revealed that Udy had issued at least five promissory notes totaling \$1,314,500 which had been hidden from the Division.

In October 2003, the Division revoked Udy's license as a broker-dealer agent and barred him from the securities industry. Udy sold at least two additional promissory notes after his license had been revoked. On December 21, 2005, the Utah Attorney General filed four felony counts against Udy for providing false information to the Division, for failing to disclose important information to investors, and for selling securities without being licensed.

The guilty pleas entered by Udy will be held in abeyance for 36 months. During that time, Udy is required to pay full restitution to those who gave him money to invest and provide accurate information to the State about those investors. If he makes full restitution and complies with the other terms of the plea agreement, the two felony counts will be reduced to Class A misdemeanors and the convictions will be entered on his record.